




U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
**ENTERED**  
TAWANA C. MARSHALL, CLERK  
THE DATE OF ENTRY IS  
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

  
United States Bankruptcy Judge

Signed March 01, 2012

IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

IN RE:	§	
	§	
Genaro Trejo and Loreto Trejo	§	Case No. 10-32200-13
	§	
Debtors	§	Chapter 13
	§	
<hr/>		
Genaro Trejo and Loreto Trejo,	§	
Plaintiffs	§	
v.	§	Adversary No. 11-03625
	§	
Household Finance Corporation III	§	
Defendant	§	

**FINAL JUDGMENT  
AVOIDING MORTGAGE LIEN**

CAME ON FOR CONSIDERATION Plaintiffs' Motion for Default Judgment against Defendant Household Finance Corporation III. Defendant Household Finance Corporation III has failed to appear, answer, plead, or otherwise defend this action, and default has been entered by the Clerk.

The Court having reviewed and heard the evidence and arguments of counsel in this case, finds that:

1. Debtors are the owners of the real estate described as:

LOTS 1 AND 2, BLOCK C OF THE CREEKS ON COIT, PHASE III, AN  
ADDITION TO THE CITY OF FRISCO, COLLIN COUNTY, TEXAS,  
ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME O,  
PAGE 263, MAP RECORDS, COLLIN COUNTY, TEXAS

Such real estate will be referred to herein as the "Property."

2. Genaro Trejo and Loretta Trejo granted a lien against the Property to CTC Real Estate Services, as Trustee for America's Wholesale Lender, pursuant to the terms of a Purchase Money Deed of Trust dated January 28, 2005, recorded as document number 2005-0014375, Book 5848, page 000519, land records of Collin County, Texas (the "Deed of Trust") securing a Note in the original principal amount of \$60,000 of even date.

3. The beneficial interest in the Deed of Trust has been assigned to Household Finance Corporation, III, defendant in this matter.

4. The lien evidenced by the Deed of Trust is subordinate to a deed of trust, the beneficial interest in which is now held by Bank of America, N.A.

5. The value of the Property is \$200,000. The debt secured by the deed of trust to Bank of America, N.A. is in excess of \$200,000.

6. Therefore, pursuant to Bankruptcy Code section 506(d), the debt in favor defendant Household Finance Corporation III is deemed entirely unsecured.

THEREFORE, IT IS ORDERED THAT:

- A. The claim of Household Finance Corporation III is deemed wholly unsecured. Household Finance Corporation III shall have an allowed unsecured claim in the amount of

\$61.046.20, which claim shall share pro rata in such distributions as may be made to general unsecured creditors by the Chapter 13 Trustee.

B. At such time as an order of discharge is entered in the Debtors' main case, case number 10-32200-13, the lien described in the Deed of Trust, whether then held in favor of Defendant, its predecessors, successors, or assigns, on the Property shall be void. This Judgment may thereupon be recorded in the land records of Collin County to reflect the foregoing.

C. This Judgment is final and disposes of all parties and all causes of action.

### End of Order ###

**Certificate of Notice Page 4 of 5**  
United States Bankruptcy Court  
Northern District of Texas

In re:

Case No. 11-03625-hdh

**CERTIFICATE OF NOTICE**

District/off: 0539-3

User: brielly  
Form ID: pdf023

Page 1 of 2  
Total Noticed: 1

Date Rcvd: Mar 02, 2012

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Mar 04, 2012.

NO NOTICES MAILED.

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.  
ust +E-mail/Text: ustpreion06.da.ecf@usdoj.gov Mar 03 2012 00:09:25 UST U.S. Trustee,  
1100 Commerce Street, Room 976, Dallas, TX 75242-1011

TOTAL: 1

\*\*\*\*\* BYPASSED RECIPIENTS \*\*\*\*\*

NONE.

TOTAL: 0

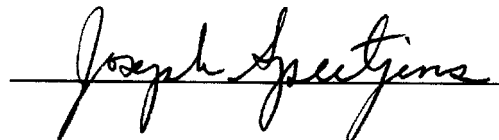
Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Mar 04, 2012

Signature:



District/off: 0539-3

User: brielly  
Form ID: pdf023

Page 2 of 2  
Total Noticed: 1

Date Rcvd: Mar 02, 2012

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on March 2, 2012 at the address(es) listed below:

Gary A. Armstrong on behalf of Plaintiff Genaro Trejo garmstrong@armstrongattorneys.com,  
akbecf@gmail.com;bbecf@bbbkrupcty.com

TOTAL: 1